से प्रभावी हुई थी और 31 मार्च, 1991 को बन्द हो गयी थी ।

Recovery of Smuggled Drugs/Silver from AI Jumbo Jet

@1970. SHRI S. S. AHLUWALIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that recently smuggled drugs and silver were recovered from an air India Jumbo Jet, concealed in special cavities therein;

(b) if so, what are the details thereof;

(c) whether it is also a fact that several such cases had been detected in the past in which Air India aircraft coming back from abroad were found to be carrying concealed contraband;

(d) if so, what are the details thereof for the last three years; and

(e) what action Government proposes to take to prevent the use of Air India aircrafts for smuggling purposes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (e) Information is being collected and will be laid on the Table of the House.

Crdit Policy for Indian Industry

@@1971. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether the Confederation of Indian Industry has urged Government to formulate credit policy to enable the industry to increase productivity and stimulate growth;

(b) if so, the reaction of Government thereto;

(c) whether Government propose to bring necessary changes in its policy to give benefits to industry; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) the Confederation of Indian Industry (CII) has. inter-alia, suggested a cut in lending rate by 2-3 percentage points, reduction in Statutory Liquidity Ratio (SLR) to 25 per cent by 1995-96, restoration of bill discounting facilities for genuine trade transactions and making adequate credit available in the market, particularly for trade and services.

(b) to (d) Credit policy is formulated by the Reserve Bank of India in consultation with the Government and generally announced twice, that is, in April and in October separately for two halves of the Financial year. The formulation of credit policy takes note of overall economic policy objectives and the economic reforms programme initiated by the Government. Suggestions made by CII and other fora from time to time are kept in view in this formulation process.

The interest rate on bank advances of over Rs. 2 lakhs has, however, been reduced in two stages from 18 per cent (minimum) to 16 per cent (minimum) between March and June 1993 which is expected to benefit the borrowers from the industrial sector.

Non-Deposit of Air Travel *Tax*

@@(?1972 SHRI CHATURANAN MISHRA:
SHRI N. GIRI PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) Whether it is a fact that crores of rupees collected as air travel tax by East-

@Previously unstarred Quesion 1358, transferred from 5th August, 1993.

@@Previously Unstarred Question 1474, transferred from 5th August, 1993

@@@ Previously unstarred Question 1387 ransferred from 5th August, 1993:

West Airlines have not been deposited with the Government;

(b) if so, what steps are being taken to recover this amount;

(c) whether such charges are there against other private airlines also; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) A sum of over Rs. 14 crores is estimated to be outstanding against M/s. East-West Airlines, as Inland Air Travel Tax for the period March, 1992 to February, 1993.

(b) Since M/s. East-West Airlines did not pay the Inland Air Travel Tax under the provisions of the Finance Act, 1989, a show cause notice was issued to the airlines demanding the arrears of the taxes due to be paid by them. While the adjudication proceedings were in progress, the airlines filed a writ petition (a the Delhi High Court inter-alia seeking stay of the proceedings. The Hon'ble High Court has directed that on the petitioner depositing a sum of Rs. 4 crores within four weeks from the date of the order (26-7-93) there shall be stay of further proceedings in pursuance of the impugned notices.

(c) and (d) Yes, Sir. Three other private airlines have also not deposited Inland Air Travel Tax as per details below:

S. No.	Name of the Airlines/carrier	Estimated Amount outstanding (Rs. in lakhs)
1.	M/s. Jagson Airlines, New Delhi.	Rs. 11·31
2.	M/s. Citi Link Airways, New Delhi.	Rs. 60·16
3.	M/s. Continental Aviation Pvt. Ltd., Bombay.	Rs. 35·83

Show Cause notices demanding the payment of Inland Air Travel Tax have been issued to each of the aforesaid three earners.

Excise Concessions to Consumers

$1973. SHRI SURESH PACHOURI:
SHRI IQBAL SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that failure on the part of the trade and industry to pass on the customs concessions and excise duties to consumers have been considered by Government;

(b) if so, whether it has also been reported that almost all the industries have not so far passed on their concessions to the consumers;

(c) if so, how many industries have failed to do it; and

(d) what action Government propose to take against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) No, Sir. It is not correct to state that "all the industries have not passed on" the reduction in the rate of duty of excise to their buyers.

(c) The study conducted on the trend of wholesale prices of the commodities affected by the reduction in rate of excise duty, by 1993-94 budget, reveals that for almost all such excisable commodities, most of the manufacturers had initially reduced the wholesale price. Of late, though, for some commodities, such prices have been increased by certain segments of industry.

(d) There is no legal mechanism to enforce reduction in price to the extent of reduction in excise duty. However, dialogue has been initiated with segments of industry, where the wholesale price has shown increase.

$Previously unstaned Question 1459, transferred from 5th August, 1993.